

January 11, 2007

1120 Stakeholders

We are posting the Production version (2006v3.2) of the Tax Year (TY) 2006 **Forms 1120 and 1120S** XML schemas and Business Rules on the www.irs.gov website (referred to as Release 4.0). These schemas and business rules contain changes since the December 18, 2006 posting.

Please note: Use version 2006v3.0 or 2006v3.1 to submit Production returns until we notify you that 2006v3.2 has been installed in Production. At that time, versions 2006v3.0, 2006v3.1 and 2006v3.2 will be active. Schema validation will use version 2006v3.2 but you will determine which version to support.

We are also posting the Production version (2006v1.4) of the Tax Year (TY) 2006 **Form 7004** XML schemas and Business Rules. These schemas and business rules contain changes since the December 18, 2006 posting.

Please note: Use version 2006v1.0, 2006v1.1, 2006v1.2 or 2006v1.3 to submit Production extensions until we notify you that 2006v1.4 has been installed in Production. At that time, versions 2006v1.0, 2006v1.1, 2006v1.2, 2006v1.3 and 2006v1.4 will be active. Schema validation will use version 2006v1.4 but you will determine which version to support.

Forms 1120 and 1120S XML schemas and Business Rules 2006v3.2 is scheduled to be installed into ATS on February 10, 2007 and into Production on February 14, 2007 when transmitting through the EMS, A2A, and IFA channels. **Form 7004** XML schemas and Business Rules 2006v1.4 is scheduled to be installed into ATS and Production on February 25, 2007.

XML Schemas

1120/1120S

The TY 2006 Production schemas include all tax forms and schedules for Forms 1120 and 1120S. Schema version 2006v3.2 is posted to the Production System and ATS System charts at <http://www.irs.gov/efile/article/0,,id=128360,00.html>. Also included are "Diff Files" showing changes from the previous schema versions.

Note: The Instance Document contained in the schema files is viewable with any generic MIME-reader. Found within the 1120 folder, the Instance Document contains an example 1120 transmission.

Forms 1120 and 1120S schema version 2005v2.6 is posted to the Production System and ATS System charts at <http://www.irs.gov/efile/article/0,,id=128360,00.html>. Changes are displayed in the "Diff Files" on the Production and ATS System charts.

7004

The TY 2006 Production schemas include all tax forms and schedules for Form 7004. Schema version 2006v1.4 is posted to the **Production System** and **ATS System** charts at <http://www.irs.gov/efile/article/0,,id=128360,00.html>. Also included are "Diff Files" showing changes from the previous schema versions.

The **Production System** table contains the current valid schemas for Forms 1120, 1120S and 7004. Forms 1120 and 1120S schemas are still being used to process TY 2004, TY2005 and TY2006 tax returns. Form 7004 schemas are being used to process TY 2005 and TY2006 timely-filed extensions.

Business Rules

1120/1120S

Release 4.0 Form 1120/1120S Business Rules for TY 2006 version 2006v3.2 and TY2005 version 2006v2.6 are posted in two different formats containing identical information – Adobe (.PDF), and Comma Separated File (.CSV). A column within the file identifies key changes made from the last posted version of the business rules. The new rules are posted to the **Production** and **ATS System** charts at <http://www.irs.gov/efile/article/0,,id=128360,00.html>.

Forms 1120 and 1120S Business Rules version 2004v4.4 change page is also posted due to rules involving zip archive issues. The new rules are posted to the **Production** and **ATS System** charts at <http://www.irs.gov/efile/article/0,,id=128360,00.html>.

7004

Release 4.0 Form 7004 Business Rules for TY 2006 version 2006v1.4 are posted in two different formats containing identical information – Adobe (.PDF), and Comma Separated File (.CSV). A column within the file identifies key changes made from the last posted version of the business rules. The new rules are posted to the **Production** and **ATS System** charts at <http://www.irs.gov/efile/article/0,,id=128360,00.html>.

Form 7004 Business Rules version 2005v2.4 change page is also posted due to rules involving zip archive issues. The new rules are posted to the **Production** and **ATS System** charts at <http://www.irs.gov/efile/article/0,,id=128360,00.html>.

As with the XML schemas, current valid Business Rules for TY 2004, TY 2005 and TY2006 are shown in the **Production System** table.

REMINDERS:

The following Business Rules are being disabled in MeF.

F1120-232 - (1120) Tax Year 2006

F1120-289 - (1120) Tax Year 2006

R0000-040 - (1120, 1120S, 7004) Tax Year 2005

Forms and Publications Office is in the process of revising Form 8886. Unfortunately, it will not be ready for distribution before January, thus we have removed Form 8886 schema. When Form 8886 is ready for distribution, we will get the schema updated as soon as possible. However, we can accept the **updated** Form 8886 in pdf if necessary.

The Extender Bill legislation changes are included with this version. See the January 11, 2007 publishing notification attached file for detailed information.

As a reminder, please see the Large and Mid-Size Business Corporation (LMSB) website for special instructions and interim procedures for taxpayers required to efile at: <http://www.irs.gov/businesses/corporations/article/0,,id=147101,00.html>.

As always if you have any questions or comments, please contact us through the Topica group or the ETA 1120 Team at 1120@irs.gov. You can also contact Xan Ostro at (202) 283-7697 or Joan Barr from the ETA team at (415) 382-9039. For questions on 7004, you can contact Linda Lateef from the ETA team at (202) 283-0014.